

Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

April 21, 2015

Paul Rankine
The Oil Mining Company
TOMCO Energy PLC
50 Jermyn Street
London SW1Y 6LX
United Kingdom

Subject: Final Approval of Wildlife Mitigation Plan, The Oil Mining Company, Holliday Block Mine,

M/047/0120, Uintah County, Utah

Dear Mr. Rankine:

Thank you for providing clean copies of the wildlife mitigation plan for the Holliday Block mine. Attached is your stamped approved copy of pages 55, 55a, 55b including the wildlife mitigation language to be incorporated in your copy of the Notice of Intention to Commence Large Mining Operations.

Thank you for your cooperation in completing this permitting action. Please contact April Abate at 801-538-5214 or me at 801-538-5261 if you have any questions regarding this action.

Sincerely,

Paul Baker

Minerals Program Manager

PBB:aa:mj

Enclosure: NOI pages 55,55a,55b

cc: Marit Sawyer, msawyer@lowhamwalsh.com

John Blake, SITLA (jblake@utah.gov)

o:\m047-uintah\m0470120-hollidayblock\final\tentapvl-6485-03022015.doc



Mining operations, including blasting, described below, will be conducted in compliance with all applicable MSHA and Occupational Safety and Health Administration and safety regulations for the project.

Blasting Safety

Details of the blasting program are provided in Section 106.2. Blasting will be conducted in accordance with the Bureau of Alcohol, Tobacco, Firearms, and Explosives regulations that govern the storage, handling, and use of explosives. In addition, all applicable requirements of the State of Utah that address public health and safety will be met. Access to blasting areas will be properly marked and controlled to limit access to these areas by workers and the general public. Signs will be placed along Atchee Ridge Road, Fuller's Road, and/or Wolf's Den Road to alert people to impending blasting activities within 2 hours of commencing blasting when these areas are within 2,000 feet of a planned blast.

109.5: Actions to Mitigate any Referenced Impacts

Wildlife

The TomCo project area is located within critical winter habitat for mule deer (Odocoileus hemionus) and elk (Cervus canadensis). To minimize adverse impacts to these species caused by mining disturbance, TomCo will develop a wildlife mitigation plan (Plan) in cooperation with the Utah Division of Wildlife Resources (UDWR). The initial phase of the Plan will be finalized and ready for implementation prior to the commencement of significant ground-disturbing activities (i.e. road improvement, excavation for facilities or pits, etc.). A cooperative agreement among the involved parties will be executed at the time the Plan is finalized, as a vehicle for putting the Plan into action.

TomCo is working cooperatively with UDWR to identify specific locations and ways in which adverse impacts to mule deer and elk related to TomCo's mining operations and associated activities can be avoided, minimized or mitigated.

APPROVED

APR 2 1 2015

Because factors such as wildlife populations, forage production, weather, UDWR management objectives, and land use by other parties all vary over time, mitigation planning will proceed in phases. The initial wildlife mitigation plan will cover a five-year development horizon that begins when ground disturbing activities commence. The Plan will include provisions for evaluating the effectiveness of mitigation work, so that subsequent phases can be adaptive in response to what is learned during mitigation practice.

Different landscapes have different habitat values. While the project area generally contains valuable habitat and forage areas (i.e., swales and small drainages in side-slopes), some areas within the roughly 1,200 acre TomCo project area provide little cover or forage value for deer and elk (i.e., bald ridgetops). As part of Plan development, project areas will be cooperatively assessed to assign a habitat value to each acre.

Mitigation projects vary in their value to wildlife: some off-site mitigation projects may cover a small number of acres but improve habitat over a large number of acres. An example would be providing water collection structures (i.e., guzzlers, surface collection basins/sumps, etc.) in an area with forage but no water, or opening up portions of woodland to improve forage opportunities while maintaining cover values over a large area. TomCo and UDWR will include in the Plan a generalized mitigation value, in acres, for a range of potential mitigation activities to be conducted.

The need for further mitigation work during subsequent five-year periods will be determined jointly by TomCo and UDWR based on the progress or success of completed mitigation work, the number of acres planned for disturbance at TomCo during the next five-year period, and the habitat quality of those acres. As a starting assumption, both parties agree that an acre of directly impacted wildlife habitat results in a project-related need to mitigate a like amount of wildlife habitat in the Book Cliffs/Tavaputs Plateau area. Specific amounts, costs, and locations for compensatory mitigation will be jointly agreed to by the parties to the cooperative agreement which will guide implementation of the Plan.

APPROVED

55a

Cultural/Historic Resources

TomCo completed a cultural resources inventory in 2013. No significant cultural resources were identified (Cardno-ENTRIX 2013b). The cultural resources report was submitted to SITLA and the State Historic Preservation Officer (SHPO) for review and comment September 2013. SITLA provided clearance for TomCo's proposed Small Mine Operation and is currently reviewing the cultural resources report to determine if the entire LMO PA can be cleared. No comments have been received from SHPO as of January 2, 2014. The Executive Summary of the Cultural Resources Report is provided in **Appendix G.**

APPROVED

DIV. OIL GAS & MINING

APR 2 1 2015